



MindTree Limited

(formerly MindTree Consulting Limited)

Registered Office: Block A, #42, 27th Cross, Banashankari II Stage, Bangalore-560 070.

FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2008

(Rs. In Lakhs, except per share data)

Particulars	Quarter ended			Year ended
	June 30, 2008 (Limited review)	June 30, 2007 (Limited review)	March 31, 2008 (Limited review)	March 31, 2008 (Audited)
Revenues	22,221	16,150	20,389	73,384
Cost of revenues	13,488	10,176	12,768	46,778
Gross profit	8,733	5,974	7,621	26,606
Selling, general and administrative expenses	3,954	3,367	3,689	13,875
Provision for bad and doubtful debts	149	12	103	151
Operating profit before interest and depreciation	4,630	2,595	3,829	12,580
Interest including finance charges	244	94	159	590
Depreciation	1,029	788	1,006	3,493
Operating profit	3,357	1,713	2,664	8,497
Foreign exchange gain/(loss)	(5,010)	(37)	350	399
Other income	440	624	464	2,377
Profit/(loss) before tax	(1,213)	2,300	3,478	11,273
Provision for taxation including fringe benefit tax	229	247	272	1,290
Deferred tax charge/(credit)	(146)	(9)	(357)	(436)
Net profit/(loss) after tax	(1,296)	2,062	3,563	10,419
Paid up equity share capital (face value Rs. 10/- each)	3,796	3,775	3,792	3,792
Reserves	47,076	41,894	49,605	49,605
Basic EPS (Rs.)	(3.43)	5.48	9.45	27.69
Fully diluted EPS (Rs.)	(3.43)	5.26	9.26	26.75
Aggregate non-promotor shareholding				
Number of shares	24,685,335	24,365,258	24,528,284	24,528,284
Percentage of shareholding	65.03%	64.54%	64.68%	64.68%

SEGMENT WISE REVENUE AND RESULTS

Primary segment information (Rupees in lakhs)

Particulars	Quarter ended			Year ended
	June 30, 2008 (Limited review)	June 30, 2007 (Limited review)	March 31, 2008 (Limited review)	March 31, 2008 (Audited)
Segment revenue				
R&D Services	4,669	3,615	4,187	16,087
IT Services	17,552	12,535	16,202	57,297
Total	22,221	16,150	20,389	73,384
Segment operating income				
R&D Services	496	161	403	1,838
IT Services	4,168	2,414	3,438	10,784
Total	4,664	2,575	3,841	12,622
Unallocable				
Expenses	6,073	805	1,018	3,535
Interest	244	94	159	590
Other income	440	624	814	2,776
Profit/(loss) before tax	(1,213)	2,300	3,478	11,273

Notes on segment information

Principal segments

The Company's operations predominantly relate to providing IT Services and Research and Development services (R&D Services). Accordingly, revenues represented along IT and R&D services comprise the primary segmental information.

Segmental capital employed

Segregation of assets, liabilities, depreciation and other non-cash expenses into various primary segments has not been done as the assets are used interchangeably between segments. Accordingly, no disclosure relating to segmental assets and liabilities has been made.

Notes to financial results for the quarter ended June 30, 2008

1 The above results were reviewed by the Audit Committee and thereafter have been taken on record by the Board at its meeting held on July 16, 2008.

2 37,701 shares have been issued during the quarter upon exercise of stock options by employees.

3 Item of expenditure exceeding 10% of total expenditure (Rupees in lakhs)

Particulars	Quarter ended			Year ended
	June 30, 2008	June 30, 2007	March 31, 2008	March 31, 2008
Personnel cost	11,943	9,704	11,388	42,601
Travel and conveyance	1,991	1,366	1,792	6,618

4 In accordance with the Institute of Chartered Accountants of India (ICAI) guidelines, the weighted average number of shares held by MindTree Benefit Trust have been reduced from the weighted average equity shares outstanding for computing basic and diluted earnings per share.

5 Information on investor complaints pursuant to clause 41 of the Listing Agreement for the quarter ended June 30, 2008:

Nature of Investor complaints	Opening balance	Additions	Disposal	Closing balance
Allotment/Refund/others	4	33	35	2

6 The uses of IPO proceeds are as under: (Rupees in lakhs)

Particulars	Projection in Prospectus	Revised projections as approved in AGM	Actual funds utilized till June 30, 2008 *
Fund a new development centre in Chennai	12,074	8,125	8,125
Prepay certain loans	1,877	1,138	1,138
General corporate purposes	7,527	12,622	8,839
Share issue expenses paid	2,294	1,887	1,887
Total	23,772	23,772	19,989

* funds from IPO proceeds have been invested in short term mutual funds and bank deposits at June 30, 2008 pending utilisation.

7 With effect from April 1, 2008, the Company has adopted the principles of Accounting Standard ('AS') 30 "Financial Instruments: Recognition and Measurement" in respect of its derivative financial instruments that are not covered by AS 11 "Accounting for the Effects of Changes in Foreign Exchange Rates" and that relate to a firm commitment or a highly probable forecast transactions. In accordance with AS 30, such derivative financial instruments, which qualify for cash flow hedge accounting and where Company has met all the conditions of cash flow hedge accounting, are fair valued at June 30, 2008 and the resultant exchange loss of Rs.1,295.28 lakhs is debited to the hedging reserve of the Company. This loss would be recorded in profit and loss account when the underlying transactions affect earnings. Other derivative instruments that relate to a firm commitment or a highly probable forecast transaction and that do not qualify for hedge accounting have been recorded at fair value at the reporting date and the resultant exchange loss of Rs.5,454.53 lakhs has been debited to profit and loss account for the period.

8 During the current quarter, the Company has acquired 30.59% of outstanding equity shares of Aztecsoft Limited ('Aztec') at a cost of Rs. 11,145.94 lakhs including direct costs of acquisition. Additionally, the Company has also entered into a Share Purchase Agreement (SPA) with a shareholder of Aztec to acquire 32.57 % of the equity shares in Aztec at Rs.80 per share aggregating to a consideration of Rs.11,724.22 lakhs. Simultaneously, the Company has also announced an open offer to the public shareholders of Aztec to acquire upto 20% of stake in Aztec at a price of Rs.80 per share. The Company has received requisite RBI and SEBI approval for its purchase of Aztec's shares. The open offer is expected to close on July 16, 2008. Upon consummation of these transactions, Aztec would become a subsidiary of the Company.

9 EPS for the quarter is not annualized.

10 Previous period figures have been reclassified/regrouped wherever necessary.

For and on behalf of the Board
For MindTree Limited

Bangalore, India
July 16, 2008

Ashok Soota
Chairman & Managing Director